

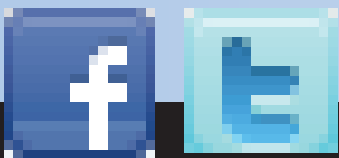
Montgomery County Department of Liquor Control



How to Apply

For a New or Transfer Annual Alcoholic Beverage License in *Montgomery County, Maryland*

**Division of Licensure, Regulation and Education (LRE)
201 Edison Park Drive | Gaithersburg, MD 20878
240-777-1999 | Fax: 240-777-1991**



www.montgomerycountymd.gov/dlc

Montgomery County, MD

Obtaining an Application for a New or Transfer License in Montgomery County

- Online: Visit the Department of Liquor Control (DLC) website at: <https://www.montgomerycountymd.gov/dlc-apps> to view all required documents. THE ENTIRE APPLICATION PACKET IS NOT AVAILABLE ONLINE. All application forms can be completed online, but still need to be printed and submitted with all required documents (see page 5).
- Pick Up: At the Montgomery County Department of Liquor Control, Division of Licensure, Regulation and Education (LRE), 201 Edison Park Drive, Gaithersburg, MD 20878, between 9:00 a.m. and 5:00 p.m. Monday through Friday (closed on County holidays.) Phone: (240) 777-1999
- Mail: Request an application packet be mailed to you by calling the LRE Offices at (240) 777-1999.

Types of Annual Licenses



A new license application is for:

- A facility that has never had an alcohol license, or
- A previously-licensed facility with an alcohol license that has lapsed or expired, or
- A currently-licensed facility where the current licensee is not willing to transfer the alcohol license. The current licensee must surrender the license before a new application will be accepted. No alcoholic beverages may be sold or served on the premises until a new license is approved, obtained and posted in the facility.

A transfer license application is for:

- A currently-licensed facility in good standing (taxes up-to-date, no pending violations or fines owed to DLC, DLC account up-to-date). Contact the State of Maryland Comptroller's Office at (410) 767-1630 to determine if there are any delinquent sales, withholding or amusement taxes owed by the current licensee. You must have the CR number that the taxes are filed under to obtain this information. ALL SUCH TAXES MUST BE PAID PRIOR TO THE TRANSFER OF ANY LICENSE.
- The current owner/licensee must be willing to transfer the alcohol license.
- Alcoholic beverages may be sold during the application process.

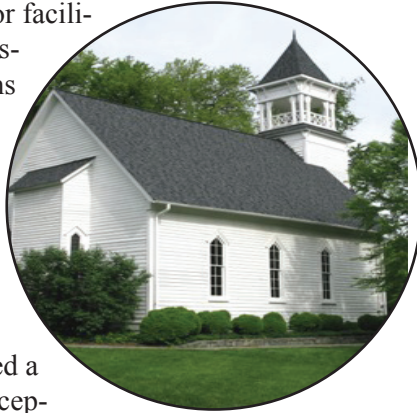
Department of Liquor Control

Special Requirements

There are specific distance requirements:

- No license to sell alcoholic beverages can be authorized within the town of Washington Grove. Applications may be filed for facilities within the Town of Kensington but certain restrictions may apply.

- A facility that is **LESS THAN 300 FEET** from an elementary or secondary school, church, or government-sponsored youth center cannot be issued a license. There are some exceptions. For more information, contact the Compliance Manager at 240-777-1985.



Top 6 Classes of Alcoholic Beverage Licenses

Class	Type	Annual Fee
Class A	<ul style="list-style-type: none"> Wine only, or Beer & Wine. Usually issued to stores. No on premises consumption, off sale only. Hours of sale 6 a.m. - 1 a.m. seven days a week. No Bathrooms or seating required. 	\$100 (wine only) \$250 (beer & wine)
Class B	<ul style="list-style-type: none"> Beer & Wine. Issued to restaurants and taverns. On and off-sale privileges. Hours of sale: Off-sale 6 a.m. – 1 a.m. seven days a week. On-sale 9 a.m. – 1 a.m Mon – Sat.; 10 a.m. – 1 a.m. Sun. Bathrooms required for both sexes. Minimum seating: 30 seats. 	\$400

Most Common Classes of Alcoholic Beverage Licenses Continued...

Class	Type	Annual Fee
Class B	Beer/Wine/Liquor. <ul style="list-style-type: none"> Issued to restaurants, taverns, hotels & motels. No off-premises consumption, on-sale only. Hours of sale: 9 a.m. - 2 a.m. Mon - Thurs, 9 a.m. - 3 a.m. Fri & Sat and 10 a.m. - 2 a.m. Sun. Bathrooms required for both sexes. Minimum seating: 10 tables/30 seats Minimum ratio of food sales to alcohol sales must be 40% food or higher. For first year of operation, ratio reports are required to be submitted monthly. 	\$2,500
Class D	<ul style="list-style-type: none"> Beer, Wine & Liquor On sale only. Food/alcohol ratios apply until 9 p.m. daily. Hours of Sale: 9 a.m. - 2 a.m. Mon - Thurs, 9 a.m. - 3 a.m. Fri and Sat, and 10 a.m. - 2 a.m. Sunday. Bathrooms required for both sexes. No minimum seating requirement. 	\$3,000
Class D	<ul style="list-style-type: none"> Beer & Wine. Issued to taverns, specialty shops, and packaged goods stores. Both on and off premises consumption. Hours of sale for on premises: 9 a.m. - 1 a.m. Mon - Sat, 10 a.m. - 1 a.m. Sun. Hours of sale for off premises: 6 a.m. - 1 a.m. seven days a week. Bathrooms required for both sexes. No minimum seating requirement. 	\$400
Class H	<ul style="list-style-type: none"> Beer & Wine. Issued to hotels and restaurants. No off premises consumption, on sale only. Hours of sale: 9 a.m. - 1 a.m. Mon - Sat, 10 a.m. - 1 a.m. Sun. Bathrooms required for both sexes. Minimum seating: 10 tables/30 seats 	\$400

For a complete list of all classes of licenses

www.montgomerycountymd.gov/DLCLRE/Licensure/licenses.html

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Applicant Qualifications

Basic Qualifications:

Applicants for the license must:

1. Be legal residents of the United States and provide a copy of current identification with address, such as a driver's license. Foreign-born applicants must provide proof of legal status, such as a copy of a permanent resident card, naturalization certificate, or US passport.
2. Not have been convicted of any felony crime.
3. Include at least one applicant who has resided in Maryland continually for the past two (2) years. This person is known as the resident agent.

Further Qualifications:

- Individual: An applicant not operating the business under a corporation, limited liability company, or partnership may apply as individuals. The applicant must be a current resident of Maryland who has resided in the state for at least the past two (2) years.
- Partnership: The license must be applied for by at least two general partners; one partner must have resided in Maryland continually for at least the past two (2) years. If there is only one general partner, the license shall be applied for by that partner, as long as he/she has resided in Montgomery County, Maryland, continually for the past two (2) years.
- Corporation: All applicants must be officers of the corporation; if there are more than three officers, please select just three. One of the officers must have resided in Maryland, continually for the past two (2) years.
- Limited Liability Company (LLC): All applicants must be authorized persons of the LLC; if there are more than three authorized LLC members, please select just three. One of the authorized person applicants must have resided in Maryland continually for at least the past two (2) years. Note: an authorized person does not need to be a member of the LLC.

When indicating ownership of a corporation, an LLC, or a partnership on the application, the names of the actual people who are owners must be provided, not just the corporate entities. This may require a listing and/or flow chart to be attached to the application. If there are more than 10 such owners OR a corporate entity is publicly-traded, please contact the BLC office as to how to complete this portion of the application.



Electronic Fingerprinting Available!



- WHAT:** Electronic fingerprinting via live scan is offered to Montgomery County, MD alcohol licensed establishments by the Montgomery County Department of Liquor Control. The state no longer accepts paper print cards.
- WHERE:** Licensure, Regulation and Education (LRE) Office
201 Edison Park Drive
Gaithersburg, MD 20878
- WHEN:** Every Tuesday & Wednesday, 2:00 PM - 4:30 PM, or by appointment by calling Ron Price, Compliance Manager, 240-777-1985.
- COST:** \$100, includes fingerprinting and processing fee, OR \$75, processing fee (If received fingerprinting at another location). *Cash, check & credit cards accepted*

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Required Documents

- Completed application is required. All information given by all parties must be truthful and all questions on the application must be answered.
- All foreign-born applicants must provide a copy of proof of legal status, such as a permanent resident card, naturalization certificate, or US passport.
- Copy of current driver's license for each applicant and manager.
- One passport-sized photo (sized approximately 2 x 2, showing front of face and shoulders) of each applicant and facility manager.
- Corporation and LLC applicants must submit a copy of the Articles of Organization. This can be obtained from the State Dept. of Assessments & Taxation in Baltimore: 1-888-246-5941. A recent Certificate of Good Standing. The Certificate of Good Standing may be obtained online at www.dat.state.md.us. There is a \$40 fee to download this document.
- Corporation applicants must submit a copy of corporate minutes showing the election of the officers.
- LLC applicants must submit the Operating Agreement and organizational resolution minutes showing that each applicant is an authorized person entitled to act on behalf of the LLC.
- Franchise applicants must provide a copy of the franchise agreement; this agreement must show that no profits from the sale of alcoholic beverages are included in the franchise fees.
- A notarized tax affidavit (only one applicant signature is required).
- A notarized ratio affidavit signed by one applicant is only required of Class B, beer, wine and liquor license applicants and of Class B-K (Kensington), beer & wine, or beer, wine and liquor license applicants.
- Fingerprints for all applicants and manager (see page 4).
- Application fee (refer to chart on page 6 for correct amount).
- Transfer applicants must also submit
 1. A notarized contract & settlement transfer affidavit.
*Note: A transfer application must be submitted to the LRE Office within 30 days of the settlement date or the license will expire.
 2. The transfer form with signatures of all existing licensees.
 3. If you apply for a license transfer, pending the issuance of your license, you cannot receive deliveries from DLC unless: 1. The business that still holds the license (the transferor) has terminated their ACH account with DLC; and 2. You (the transferee) have set up an ACH account with DLC.

Department of Liquor Control

Application Fees

- Application fee for all classes of alcohol license (non-refundable), paid when the hearing poster is picked up: \$600
- Fingerprint processing for each applicants and manager, \$100.00 per person

Number of Applicants and Managers	ONE PERSON	TWO PEOPLE	THREE PEOPLE	FOUR PEOPLE
Type of Fee				
Application	\$600.00	\$600.00	\$600.00	\$600.00
Fingerprint Processing	\$100.00	\$200.00	\$300.00	\$400.00
TOTAL	\$700.00	\$800.00	\$900.00	\$1,000.00

The LRE Office accepts payments by cash, major credit card, or check payable to Montgomery County, MD

Next Steps

- Submit the completed application with all required documents to the LRE Office for review. If filing for a transfer, the application must be submitted to the LRE Office within 30 days from the date new ownership took over. Otherwise, the license will expire.
- Upon completion of the reviewing process, a hearing date and time will be assigned. An orange poster announcing the hearing date will be provided by office staff for posting at the facility thirty (30) days prior to the hearing. Written notice of the hearing will be sent to the applicant's home address.
- If an interpreter is needed at the hearing, the LRE staff should be given at least two weeks notice to arrange for one.
- Post the orange poster at the facility. It must be unobstructed and clearly visible to the public for at least 30 days prior to the hearing date.
- An alcohol enforcement inspector may visit the facility and prepare a report to the Board prior to the hearing.
- Fingerprints will be processed by the State of Maryland and the FBI. LRE staff will check to make sure that the facility is zoned for alcoholic beverage sales. Notice of the hearing will be published in two different newspapers in Montgomery County by LRE.



Montgomery County, MD

Hearing Preparation

- Read the Board's Rules and Regulations, available at the LRE Office or online at www.montgomerycountymd.gov/dlc . Click on Licensure, Regulation & Education on the left column. Then click in the middle on "Click here to view County Rules & Regulations".
- Become Alcohol-Awareness certified. Arrangements should be made to obtain Alcohol Awareness Certification by taking a class given by a State-approved private trainer. Typically a four-hour class, this leads to a certificate that is good for four years. A list of approved courses is available on the DLC website at www.montgomerycountymd.gov/dlc. Click on Licensure, Regulation & Education in the upper right. Then click on Technical Support on the right-hand side. Scroll down to Alcohol Awareness Training Requirements and Training Programs.
- Attend an Alcohol Law Education Regulatory Training (ALERT) class. This free class is given by the Department of Liquor Control at 201 Edison Park Drive, Gaithersburg, MD 20878, usually on the 1st & 3rd Monday of each month, from 10 am to 1 pm. Call the LRE office to sign up for a class: (240)777-1999. The ALERT Class will prepare licensees for the qualifying questions at the hearing.
- Know where the hearing is and how to get there. Hearing rooms change, the location is on the orange poster or call the LRE office to confirm.
- Communicate with co-applicants as all applicants must be present at the hearing.

What to bring to the hearing

- A printed menu (8-1/2 x 14 inch size or smaller preferred).
- A current floor plan of the facility (8 ½ x 14 inch or smaller). The floorplan needs to show tables and seats, the kitchen, restrooms, alcohol placement, any storage spaces and points of entry/exits. If you want to serve alcohol outside in an area immediately adjacent to the facility, be sure the floor plan shows the outdoor café area. Contact the LRE Office for the requirements for approval. Once approved, licenses will be marked with the words OUTDOOR CAFE.
- Copies of alcohol awareness certificates for applicants and/or employees, if they have not already been submitted.
- Manager or person in charge of day to day operations.

The Board of License Commissioners

Commonly known as "the Liquor Board", the Board is a legally-designated group with the authority to issue, revoke, renew or transfer alcohol licenses. The Board is comprised of five residents of Montgomery County who are appointed by the County Executive and confirmed by the County Council and serve up to two terms of four years. The Board holds hearings two full days each month to approve or deny new and transfer applications, and to deliberate on protests on renewal applications. The Board also holds show-cause hearings on alcohol license violations; and has the authority to suspend, revoke, or issue fines up to \$20,000.

Hearing Procedures

The five Board members will ask questions regarding the applicants' experience and plans for the facility. One individual will take the identification test -- this should be the person in charge of the day-to-day operations of the facility. This person does not have to be an applicant; an employed manager may be most appropriate.

The Board will publicly vote on the granting of the license. In special circumstances, the Board may continue the hearing to another date and time; this will be communicated at the hearing. Typically, new and transfer license hearings last approximately 30 minutes. When a license is approved, the applicants are given a "Next Steps" information sheet at the conclusion of the hearing.

Department of Liquor Control

Following the Hearing

Applicants will receive written notice of the approval of the license, usually within one to two weeks from the hearing, at their home address. This notice will indicate the license fee due at the time of license pickup, and if anything else is required.

After Receiving Notice That Your License Is Approved

Applicants should call the LRE Office at 240-777-1999 to schedule a final compliance inspection once the following documents are obtained:

- Use & Occupancy Certificate
 - o Montgomery County Dept of Permitting Services: call 240-777-6300.
 - o City of Rockville: call 240-314-5000.
 - o City of Gaithersburg: call 301-258-6300.
- Food Service Facility License
 - o Montgomery County Health Department: call 240-777-3986.
- State Sales & Use Tax License
 - o Maryland Comptrollers Office, call 800-492-1751.
- Alcohol-Awareness Certificate



APPROVED

Picking Up Your License

- The license must be picked up at the LRE Office. Present the license fee payment (we accept cash, credit and check), and any other documentation that was required by the Board at the hearing, or requested by the LRE inspector at the time of the final compliance inspection.
- Class B, beer, wine and liquor license applicants can request to have a catering privilege on their license. This will permit them to cater off-site events with food and alcohol. If this is requested, the license will be marked with the words APPROVED FOR CATERING. Additional reporting requirements apply. There is no extra charge for this privilege if it is requested at the time of application for a new or renewal license.

Bank Debit (ACH) Account

- Licensees must have a Bank Debit (ACH) account set up with DLC in order to receive deliveries. To set up your ACH account, complete the Customer Bank Debit (ACH) Authorization Form. The form is posted on the DLC website and can also be obtained at the DLC Licensure, Regulation and Education Office.
- License Transfers: If you apply for a license transfer, pending the issuance of your license, you cannot receive deliveries from DLC unless: 1. The business that still holds the license (the transferor) has terminated their ACH account with DLC; and 2. You (the transferee) have set up an ACH account with DLC.

Montgomery County, MD

License Modifications

- Licensee change: A notarized letter of resignation must be submitted by the person who is to be removed from the license. If the license has been issued on behalf of a corporation, partnership, or LLC, corporate minutes indicating the acceptance of the person's resignation and the name of the person to replace them must also be submitted.
- Corporate change: Any ownership or stock change of 51% or more of the facility requires a full transfer application and a new hearing before the Board. Ownership changes of less than 51% can be handled by submitting corporate minutes indicating such change(s) or this can be handled on the renewal application.

License Class Change

Upgrading or Reclassifying a License	Down-grading a License
Upgrading or reclassifying a license means adding an additional type of alcohol sale to a license. (Examples include adding liquor to a beer & wine license or adding off-sale to an on-sale only license.) This requires a new application submission and a new hearing before the Board.	Down-grading (converting a beer, wine & liquor license to a beer & wine license) requires notification to the Board via a notarized letter stating intentions and must include signatures of all licensees. The current license should be turned into the LRE Office at a time when the facility is closed and the new license can be issued; a \$100 fee is applied for this change on the license. If this change is made at renewal, there is no additional charge for the change. Note: no refunds of annual license fees will be issued.

Useful Websites

The Rules and Regulations of the Montgomery County Board of License Commissioners are available on the Department of Liquor Control website:

www.montgomerycountymd.gov/dlc. Click on the Licensure, Regulation & Education (LRE) tab. The County Rules & Regulations are on the LRE main page.

A list of state-approved alcohol awareness programs for you and your staff and information on the Department of Liquor Control's ALERT classes are also available on the Department of Liquor Control website:

www.montgomerycountymd.gov/dlc. Click on Licensure, Regulation & Education in the upper right, and then click on Technical Support in the right-hand column.

You can pay your Maryland state taxes online:

www.MarylandTax.com

The Comptroller of the State of Maryland has information on alcoholic beverage trade practices:

http://compnet.comp.state.md.us/MATT_Regulatory_Division/



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